REMARKS

Reconsideration and allowance of the subject application in view of the foregoing amendments and the following remarks is respectfully requested. By this Amendment, claims 1, 2, 4 and 9 are amended and claim 11 is canceled without prejudice. Applicant takes notice of the Examiner's indication that claims 5-7 and 14-19 are withdrawn. Accordingly, claims 1-4, 8-10 and 12-13 are pending in this application.

The Patent and Trademark Office (PTO) objects to the specification for using claim numbers. Paragraphs [0006] – [0009] are amended to obviate the objections thereto. Accordingly, withdrawal of the objection to the disclosure is respectfully requested.

The PTO objects to claims 4 and 9 as being confusing. Specifically, claim 4 is objected to for reciting a "fourth belt conveyor" when a third belt conveyor has not been claimed. Applicant replaces the objected to phrase with "another belt conveyor" to obviate the rejection thereof. Regarding claim 9, claim 9 is amended to more clearly recite the claimed subject matter. Withdrawal of the objection to the claims is respectfully requested.

Rejections under 35 U.S.C. §102(b)

In response to the rejection of claims 1-2, 8, and 10 under 35 U.S.C. §102(b) over U.S. Patent No. 4,491,310 to *Reffert*, the claims are amended and believed to be patentable for the reasons discussed below.

Claim 1 is amended to more clearly recite the distinguishing features of Applicant's folding machine comprising a cut-off unit, a processor, a first belt conveyor, and a second belt conveyor, wherein:

said second belt conveyor is a <u>variable speed conveyor</u> configured to vary a sheet conveying speed during the conveyance of said sheet so that in receiving said sheet from said first belt conveyor, <u>said sheet conveying speed becomes approximately equal to said first speed</u> at which said sheet is conveyed in said first belt conveyor, and in conveying said sheet to said processor, <u>said sheet conveying speed becomes approximately equal to said second speed</u> at which said sheet is conveyed in said processor. (Emphasis added).

A rejection based on 35 U.S.C. §102 requires every element of the claim to be included in the reference, either directly or inherently. Applicant respectfully submits that *Reffert* fails to disclose at least the above recited elements of amended claim 1. Specifically, *Reffert* only discloses, at column 7, lines 6-10, wherein tape guidance 10 consists of two successive segments whose velocities are graduated, i.e., divided by degree, so that segment 10b rotates more quickly than the rear segment10a. Nowhere does *Reffert* disclose, teach or suggest, that the speed of the second segment is variable, such that it picks up a cut sheet from the cutter unit at one speed and delivers it to the processor at a different speed, as recited in independent claim 1.

Accordingly, because *Reffert* does not disclose, teach or suggest each and every feature recited in independent claim 1, the rejection of claim 1 under 35 U.S.C. §102(b) is improper. Applicant respectfully submits therefore, that independent claim 1 is patentable over *Reffert*.

Claims 2, 8, and 10 depend from independent claim 1 and are likewise patentable over *Reffert* at least for their dependence an allowable base claim, as well as for additional features they recite. Withdrawal of the rejection over *Reffert* is respectfully requested.

Rejections under 35 U.S.C. §103(a)

The Patent and Trademark Office (PTO) rejects claims 9 and 13 under 35 U.S.C. §102(b) as anticipated by or, in the alternative, under 35 U.S.C. §103(a), as obvious over *Reffert*. In addition claims 3-4 and 12 are rejected as obvious over *Reffert* in view of *Stab* (US 6,019,714). These rejections are respectfully traversed.

Claim 9 and 13 depend from independent claim 1 and are likewise patentable over Reffert for at least their dependence on claim 1, an allowable base claim, as well as for the additional features they recite.

Furthermore, as presented above, rejection based on 35 U.S.C. §102 requires every element of the claim to be included in the reference, either directly or inherently. Not only does *Reffert* fail to teach or suggest all of Applicant's claim 1 limitations, specifically those of a variable speed second belt conveyor, nowhere does *Reffert* disclose, teach, or

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suggest wherein the variable speed second conveyor is configured to accelerate when transferring of a cut sheet from the cutoff unit to the processor and then decelerate in order to receive another cut sheet from the cutoff unit.

Further, to establish a *prima facie* case of obviousness under 35 U.S.C. §103(a), there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. *Reffert*, singularly, provides no such guidance. Indeed, given the elaborate transfer mechanism disclosed by *Reffert* at column 7, lines 10-67, to accomplish "a precise rhythm of the segments," due to the two different speed at which the two segments operate, Applicant respectfully submits that one of ordinary skill in the art would not motivated to modify the fixed speed conveyor system of *Reffert* with a variable speed conveyor, as recited by Applicant.

Therefore, Applicant submits that the Office Action appears to use improper hindsight reconstruction to pick and choose among isolated disclosures. Accordingly, it is respectfully submitted that claims 9 and 13 are patentable not only due to the failure of *Reffert* to disclose, teach or motivate all recited features of the claims, but are also patentable based upon failure of the Examiner to establish a *prima facie* case of obviousness.

Claims 3-4 and 12 depend variously from claim 1 and are likewise patentable over the asserted combination of references for at least their dependence on an allowable base claim, as well as for the additional features they recite. Accordingly, withdrawal of this rejection is respectfully requested.

The cancellation of claim 11 renders the rejection of claim 11 moot.

Conclusion

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance of claims 1-4, 8-10 and 12-13 are earnestly solicited.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

Respectfully submitted,

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